

# Appendix C:

## Washington State Ridesharing Laws

Taken from Revised Code of Washington

*current as of January 1999*

**RCW 43.01.230 Commute trip reduction—Use of public funds.** State agencies may, under the internal revenue code rules, use public funds to financially assist agency-approved incentives for alternative commute modes, including but not limited to carpools, vanpools, purchase of transit and ferry passes, and guaranteed ride home programs, if the financial assistance is an element of the agency's commute trip reduction program as required under RCW 70.94.521 through 70.94.551. This section does not permit any payment for the use of state-owned vehicles for commuter ride sharing. [1995 c 215 § 1; 1993 c 394 § 6.]

Notes: Finding—Purpose—1993 c 394: See note following RCW 43.01.220.

**RCW 46.04.190 For hire vehicle.** "For hire vehicle" means any motor vehicle used for the transportation of persons for compensation, except auto stages and ride-sharing vehicles. [1979c 111 § 13; 1961 c 12 § 46.04.190. Prior: 1959 c 49 § 20; prior: (i) 1943 c 153 § 1, part; 1937 c 188 § 1, part; Rem. Supp. 1943 §6312-1, part; 1923 c 181 § 1, part; 1921 c 96 § 2, part; 1919 c 59§ 1, part; 1917 c 155 § 1, part; 1915 c 142 § 2, part; RRS § 6313,part. (ii) 1937 c 189 § 1, part; RRS § 6360-1, part.]

Notes: Severability—1979 c 111: See note following RCW 46.74.010.Ride sharing: Chapter 46.74 RCW.

### Motor Vehicles

**RCW 46.16.023 Ride-sharing vehicles—Special plates Gross misdemeanor.** (1) Every owner or lessee of a vehicle seeking to apply for an excise tax exemption under RCW 82.08.0287, 82.12.0282, or 82.44.015 shall apply to the director for, and upon satisfactory showing of eligibility, receive in lieu of the regular motor vehicle license plates for that vehicle, special plates of a distinguishing separate numerical series or design, as the director shall prescribe. In addition to paying all other initial fees required by law, each applicant for the special license plates shall pay an additional license fee of twenty-five dollars upon the issuance of such plates. The special fee shall be deposited in the motor vehicle fund. Application for renewal of the license plates shall be as prescribed for the

renewal of other vehicle licenses. No renewal is required for vehicles exempted under RCW 46.16.020.

(2) Whenever the ownership of a vehicle receiving special plates under subsection (1) of this section is transferred or assigned, the plates shall be removed from the motor vehicle, and if another vehicle qualifying for special plates is acquired, the plates shall be transferred to that vehicle for a fee of five dollars, and the director shall be immediately notified of the transfer of the plates. Otherwise the removed plates shall be immediately forwarded to the director to be canceled. Whenever the owner or lessee of a vehicle receiving special plates under subsection (1) of this section is for any reason relieved of the tax-exempt status, the special plates shall immediately be forwarded to the director along with an application for replacement plates and the required fee. Upon receipt the director shall issue the license plates that are otherwise provided by law.

(3) Any person who knowingly makes any false statement of a material fact in the application for a special plate under subsection (1) of this section is guilty of a gross misdemeanor. [1993 c 488 § 5; 1987 c 175 § 2.]

Notes: Finding—Annual recertification rule—Report—1993 c 488: See notes following RCW 82.08.0287. Effective date—1987 c 175 § 2: “Section 2 of this act shall take effect on January 1, 1988.” [1987 c 175 § 4.]

**RCW 46.29.090 Requirements as to policy or bond.** (1) No policy or bond is effective under RCW 46.29.080 unless issued by an insurance company or surety company authorized to do business in this state, except as provided in subsection (2) of this section, nor unless such policy or bond is subject, if the accident has resulted in bodily injury or death, to a limit, exclusive of interest and costs, of not less than twenty-five thousand dollars because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, to a limit of not less than fifty thousand dollars because of bodily injury to or death of two or more persons in any one accident, and if the accident has resulted in injury to, or destruction of, property to a limit of not less than ten thousand dollars because of injury to or destruction of property of others in any one accident.

(2) No policy or bond is effective under RCW 46.29.080 with respect to any vehicle which was not registered in this state or was a vehicle which was registered elsewhere than in this state at the effective date of the policy or bond or the most recent renewal thereof, unless the insurance company or surety company issuing such policy or bond is authorized to do business in this state, or if said company is not authorized to do business in this state, unless it executes a power of attorney authorizing the director of licensing to accept service on its behalf of notice or process in any action upon such policy or bond arising out of such accident.

(3) The department may rely upon the accuracy of the information in a required report of an accident as to the existence of insurance or a bond unless and until the department has reason to believe that the information is erroneous. [1980 c 117 § 3; 1979 c 158 § 155; 1967 ex.s. c 3 § 1; 1963 c 169 § 9.]

Notes: Effective date—1980 c 117: See note following RCW 48.22.030.

Effective date—1967 ex.s. c 3: “This amendatory act shall take effect on July 1, 1968.” [1967 ex.s. c 3 § 6.]

**RCW 46.72.010 Definitions.** When used in this chapter:

(1) The term “for hire vehicle” includes all vehicles used for the transportation of passengers for compensation, except auto stages, school buses operating exclusively under a contract to a school district, ride-sharing vehicles under chapter 46.74 RCW, limousine carriers licensed under chapter 46.72A RCW, vehicles used by nonprofit transportation providers for elderly or handicapped persons and their attendants under chapter 81.66 RCW, vehicles used by auto transportation companies licensed under chapter 81.68 RCW, vehicles used to provide courtesy transportation at no charge to and from parking lots, hotels, and rental offices, and vehicles used by charter party carriers of passengers and excursion service carriers licensed under chapter 81.70 RCW;

(2) The term “for hire operator” means and includes any person, concern, or entity engaged in the transportation of passengers for compensation in for hire vehicles. [1996 c 87 § 18; 1991 c 99 § 1; 1979 c 111 § 14; 1961 c 12 § 46.72.010. Prior: 1947 c 253 § 1; Rem. Supp. 1947 § 6386-1. Formerly RCW 81.72.010.]

Notes: Severability—1979 c 111: See note following RCW 46.74.010.

## Ridesharing

**RCW 46.74.010 Definitions.** The definitions set forth in this section shall apply throughout this chapter, unless the context clearly indicates otherwise.

(1) “Commuter ride sharing” means a car pool or van pool arrangement whereby one or more fixed groups not exceeding fifteen persons each including the drivers, and (a) not fewer than five persons including the drivers, or (b) not fewer than four persons including the drivers where at least two of those persons are confined to wheelchairs when riding, are transported in a passenger motor vehicle with a gross vehicle weight not exceeding ten thousand pounds, excluding special rider equipment, between their places of abode or termini near such places, and their places of employment or educational or other institutions, each group in a single daily round trip where the drivers are also on the way to or from their places of employment or educational or other institution.

(2) “Flexible commuter ride sharing” means a car pool or vanpool arrangement whereby a group of at least two but not exceeding fifteen persons including the driver is transported in a passenger motor vehicle with a gross vehicle weight not exceeding ten thousand pounds, excluding special rider equipment, between their places of abode or termini near such places, and their places of employment or educational or other institutions, where the driver is also on the way to or from his or her place of employment or educational or other institution.

(3) “Ride sharing for persons with special transportation needs” means an arrangement whereby a group of persons with special transportation needs, and their attendants, is transported by a public social service agency or a private, nonprofit transportation provider as defined in RCW 81.66.010(3) in a passenger motor vehicle as defined by the department to include small buses, cut aways, and modified vans not more than twenty-eight feet long: PROVIDED, That the driver need not be a person with special transportation needs.

(4) “Ride-sharing operator” means the person, entity, or concern, not necessarily the driver, responsible for the existence and continuance of commuter ride sharing, flexible commuter ridesharing, or ride sharing for persons with special transportation needs. The term “ride-sharing operator” includes but is not limited to an employer, an employer’s agent, an employer-organized association, a state agency, a county, a city, a public transportation benefit area, or any other political subdivision that owns or leases a ride-sharing vehicle.

(5) “Ride-sharing promotional activities” means those activities involved in forming a commuter ride-sharing arrangement or a flexible commuter ride-sharing arrangement, including but not limited to receiving information from existing and prospective ride-sharing participants, sharing that information with other existing and prospective ride-sharing participants, matching those persons with other existing or prospective ride-sharing participants, and making assignments of persons to ride-sharing arrangements.

(6) “Persons with special transportation needs” means those persons defined in RCW 81.66.010(4). [1997 c 250 § 8; 1997 c 95 §1; 1996 c 244 § 2; 1979 c 111 § 1.]

Notes:Reviser’s note: This section was amended by 1997 c 95 § 1 and by 1997 c 250 § 8, each without reference to the other. Both amendments are incorporated in the publication of this section under RCW 1.12.025(2). For rule of construction, see RCW1.12.025(1).

Severability—1979 c 111: “If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.” [1979 c 111 § 21.]

**RCW 46.74.020 Vehicles excluded from for hire vehicle laws.** Ride-sharing vehicles are not deemed for hire vehicles and do not fall within the provisions of chapter 46.72 RCW or any other provision of Title 46 RCW affecting for hire vehicles, whether or not the ride-sharing operator receives compensation. [1979 c 111§ 2.]

Notes: Severability—1979 c 111: See note following RCW 46.74.010.

**RCW 46.74.030 Operators—Reasonable standard of care—**Exempted from certain regulations—Limited immunity from liability for operators and promoters. The operator and the driver of a commuter ride-sharing vehicle or a flexible commuter ride-sharing vehicle shall be held to a reasonable and ordinary standard of care, and are not subject to ordinances or regulations which relate exclusively to the regulation of drivers or owners of motor vehicles operated for hire, or other common carriers or public transit carriers. No person, entity, or concern may, as a result of engaging in ride-sharing promotional activities, be liable for civil damages arising directly or indirectly (1) from the maintenance and operation of a commuter ride-sharing or flexible commuter ride-sharing vehicle; or (2) from an intentional act of another person who is participating or proposing to participate in a commuter ride-sharing or flexible commuter ride-sharing arrangement, unless the ride-sharing operator or promoter had prior, actual knowledge that the intentional act was likely to occur and had a reasonable ability to prevent the act from occurring. [1997 c 250 § 9; 1996 c 244 § 3; 1979 c 111 § 3.]

Notes: Severability—1979 c 111: See note following RCW 46.74.010.

**RCW 51.08.013 “Acting in the course of employment.”** (1) “Acting in the course of employment” means the worker acting at his or her employer’s direction or in the furtherance of his or her employer’s business which shall include time spent going to and from work on the job site, as defined in RCW 51.32.015 and 51.36.040, in so far as such time is immediate to the actual time that the worker is engaged in the work process in areas controlled by his or her employer, except parking area. It is not necessary that at the time an injury is sustained by a worker he or she is doing the work on which his or her compensation is based or that the event is within the time limits on which industrial insurance or medical aid premiums or assessments are paid.

(2) “Acting in the course of employment” does not include:

(a) Time spent going to or coming from the employer’s place of business in an alternative commute mode, not with standing that the employer (i) paid directly or indirectly, in whole or in part, the cost of a fare, pass, or other expense associated with the alternative commute mode; (ii) promoted and encouraged

employee use of one or more alternative commute modes; or (iii) otherwise participated in the provision of the alternative commute mode.

(b) An employee's participation in social activities, recreational or athletic activities, events, or competitions, and parties or picnics, whether or not the employer pays some or all of the costs thereof, unless: (i) The participation is during the employee's working hours, not including paid leave; (ii) the employee was paid monetary compensation by the employer to participate; or (iii) the employee was ordered or directed by the employer to participate or reasonably believed the employee was ordered or directed to participate.

(3) "Alternative commute mode" means (a) a carpool or vanpool arrangement whereby a group of at least two but not more than fifteen persons including passengers and driver, is transported between their places of abode or termini near those places, and their places of employment or educational or other institutions, where the driver is also on the way to or from his or her place of employment or educational or other institution; (b) a bus, ferry, or other public transportation service; or (c) a non motorized means of commuting such as bicycling or walking. [1997 c 250 § 10; 1995c 179 § 1; 1993 c 138 § 1; 1979 c 111 § 15; 1977 ex.s. c 350 § 8; 1961 c 107 § 3.]

Notes: Severability—1979 c 111: See note following RCW 46.74.010.

## Transportation Demand Management

**RCW 70.94.521 Transportation demand management—Findings.** The legislature finds that automotive traffic in Washington's metropolitan areas is the major source of emissions of air contaminants. This air pollution causes significant harm to public health, causes damage to trees, plants, structures, and materials and degrades the quality of the environment. Increasing automotive traffic is also aggravating traffic congestion in Washington's metropolitan areas. This traffic congestion imposes significant costs on Washington's businesses, governmental agencies, and individuals in terms of lost working hours and delays in the delivery of goods and services. Traffic congestion worsens automobile-related air pollution, increases the consumption of fuel, and degrades the habitability of many of Washington's cities and suburban areas. The capital and environmental costs of fully accommodating the existing and projected automobile traffic on roads and highways are prohibitive. Decreasing the demand for vehicle trips is significantly less costly and at least as effective in reducing traffic congestion and its impacts as constructing new transportation facilities such as roads and bridges, to accommodate increased traffic volumes.

The legislature also finds that increasing automotive transportation is a major factor in increasing consumption of gasoline and, thereby, increasing reliance on imported sources of petroleum. Moderating the growth in

automotive travel is essential to stabilizing and reducing dependence on imported petroleum and improving the nation's energy security.

The legislature further finds that reducing the number of commute trips to work made via single-occupant cars and light trucks is an effective way of reducing automobile-related air pollution, traffic congestion, and energy use. Major employers have significant opportunities to encourage and facilitate reducing single-occupant vehicle commuting by employees. In addition, the legislature also recognizes the importance of increasing individual citizens' awareness of air quality, energy consumption, and traffic congestion, and the contribution individual actions can make towards addressing these issues.

The intent of this chapter is to require local governments in those counties experiencing the greatest automobile-related air pollution and traffic congestion to develop and implement plans to reduce single-occupant vehicle commute trips. Such plans shall require major employers and employers at major worksites to implement programs to reduce single-occupant vehicle commuting by employees at major worksites. Local governments in counties experiencing significant but less severe automobile-related air pollution and traffic congestion may implement such plans. State agencies shall implement programs to reduce single-occupant vehicle commuting at all major worksites throughout the state. [1997 c 250 § 1; 1991 c 202 § 10.]

Notes: Captions not law—Effective date—Severability—1991 c 202: See notes following RCW 47.50.010. Ride-sharing tax incentives: RCW 82.04.4453.

**RCW 81.66.010 Definitions.** The definitions set forth in this section shall apply throughout this chapter, unless the context clearly indicates otherwise.

(1) "Corporation" means a corporation, company, association, or joint stock association.

(2) "Person" means an individual, firm, or a copartnership.

(3) "Private, nonprofit transportation provider" means any private, nonprofit corporation providing transportation services for compensation solely to persons with special transportation needs.

(4) "Persons with special transportation needs" means those persons, including their personal attendants, who because of physical or mental disability, income status, or age are unable to transport themselves or to purchase appropriate transportation. [1996 c 244 § 1; 1979 c 111 § 4.]

Notes: Severability—1979 c 111: See note following RCW 46.74.010



## Auto Transportation Companies

**RCW 81.68.015 Application of chapter restricted.** This chapter does not apply to corporations or persons, their lessees, trustees, receivers, or trustees appointed by any court whatsoever in so far as they own, control, operate, or manage taxicabs, hotel buses, school buses, motor propelled vehicles operated exclusively in transporting agricultural, horticultural, dairy, or other farm products from the point of production to the market, or any other carrier that does not come within the term “auto transportation company” as defined in RCW 81.68.010.

This chapter does not apply to persons operating motor vehicles when operated wholly within the limits of incorporated cities or towns, and for a distance not exceeding three road miles beyond the corporate limits of the city or town in Washington in which the original starting point of the vehicle is located, and which operation either alone or in conjunction with another vehicle or vehicles is not a part of any journey beyond the three-mile limit.

This chapter does not apply to commuter ride sharing or ridesharing for the elderly and the handicapped in accordance with \*RCW 46.74.010, so long as the ride-sharing operation does not compete with nor infringe upon comparable service actually being provided before the initiation of the ride-sharing operation by an existing auto transportation company certificated under this chapter. [1989c 163 § 2; 1984 c 166 § 2.]

Notes: \*Reviser’s note: RCW 46.74.010 was amended by 1996 c 244 § 2 changing the term “ride sharing for the elderly and the handicapped” to “ride sharing for persons with special transportation needs.”

## Excise Tax

**RCW 82.04.355 Exemptions—Ride sharing.** This chapter does not apply to any funds received in the course of commuter ridesharing or ride sharing for the elderly and the handicapped in accordance with \*RCW 46.74.010. [1979 c 111 § 17.]

Notes: \*Reviser’s note: RCW 46.74.010 was amended by 1996 c 244 § 2 changing the term “ride sharing for the elderly and the handicapped” to “ride sharing for persons with special transportation needs.” Severability—1979 c 111: See note following RCW 46.74.010.

## Retail Sales Tax

**RCW 82.08.0287 Exemptions—Sales of passenger motor vehicles as ride-sharing vehicles.** The tax imposed by this chapter shall not apply to sales of passenger motor vehicles which are to be used for commuter ride sharing or ride sharing for persons with special transportation needs, as defined in RCW 46.74.010, if the ride-sharing vehicles are exempt under RCW 82.44.015 for thirty-six consecutive months beginning within thirty days of application for exemption under this section. If used as a ride-sharing vehicle for less than thirty-six consecutive months, the registered owner of one of these vehicles shall notify the department of revenue upon termination of primary use of the vehicle as a ride-sharing vehicle and is liable for the tax imposed by this chapter.

To qualify for the tax exemption, those passenger motor vehicles with five or six passengers, including the driver, used for commuter ride-sharing, must be operated either within the state’s eight largest counties that are required to develop commute trip reduction plans as directed by chapter 70.94 RCW or in other counties, or cities and towns within those counties, that elect to adopt and implement a commute trip reduction plan. Additionally at least one of the following conditions must apply: (1) The vehicle must be operated by a public transportation agency for the general public; or (2) the vehicle must be used by a major employer, as defined in RCW 70.94.524 as an element of its commute trip reduction program for their employees; or (3) the vehicle must be owned and operated by individual employees and must be registered either with the employer as part of its commute trip reduction program or with a public transportation agency serving the area where the employees live or work. Individual employee owned and operated motor vehicles will require certification that the vehicles registered with a major employer or a public transportation agency. Major employers who own and operate motor vehicles for their employees must certify that the commuter ride-sharing arrangement conforms to a carpool/vanpool element contained within their commute trip reduction program. [1996 c 244 § 4; 1995 c 274 § 2; 1993 c 488 § 2; 1980 c 166 § 1.] Notes: Finding—1993 c 488: “The legislature finds that ride sharing and vanpools are the fastest growing transportation choice because of their flexibility and cost-effectiveness. Ride sharing and vanpools represent an effective means for local jurisdictions, transit agencies, and the private sector to assist in addressing the requirements of the Commute Trip Reduction Act, the Growth Management Act, the Americans with Disabilities Act, and the Clean Air Act.” [1993 c 488 § 1.]

Annual recertification rule—Report—1993 c 488: “The department shall adopt by rule a process requiring annual recertification upon renewal for vehicles registered under RCW 46.16.023 to discourage abuse of tax exemptions under RCW 82.08.0287, 82.12.0282, and 82.44.015. The department of licensing in

consultation with the department of transportation shall submit a report to the legislative transportation committee and the house and senate standing committees on transportation by July 1, 1996, assessing the effectiveness of the department of licensing at limiting tax exemptions to bona fide ride-sharing vehicles.” [1993c 488 § 6.]

Severability—1980 c 166: “If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.” [1980 c 166 § 4.]

Ride-sharing vehicles—Special plates: RCW 46.16.023.

## Use Tax

**RCW 82.12.0282 Exemptions—Use of vans as ride-sharing vehicles.** The tax imposed by this chapter shall not apply with respect to the use of passenger motor vehicles used as ride-sharing vehicles, as defined in \*RCW 46.74.010(3), by not less than five persons, including the driver, with a gross vehicle weight not to exceed 10,000 pounds where the primary usage is for commuter ride-sharing, as defined in RCW 46.74.010(1), by not less than four persons including the driver when at least two of those persons are confined to wheelchairs when riding, or passenger motor vehicles where the primary usage is for ride-sharing for the elderly and the handicapped, as defined in \*\*RCW 46.74.010(2), if the vehicles are exempt under RCW 82.44.015 for thirty-six consecutive months beginning within thirty days of application for exemption under this section. If used as a ride-sharing vehicle for less than thirty-six consecutive months, the registered owner of one of these vehicles shall notify the department of revenue upon termination of primary use of the vehicle as a ride-sharing vehicle and is liable for the tax imposed by this chapter.

To qualify for the tax exemption, those passenger motor vehicles with five or six passengers, including the driver, used for commuter ride-sharing, must be operated either within the state’s eight largest counties that are required to develop commute trip reduction plans as directed by chapter 70.94 RCW or in other counties, or cities and towns within those counties, that elect to adopt and implement a commute trip reduction plan. Additionally at least one of the following conditions must apply: (1) The vehicle must be operated by a public transportation agency for the general public; or (2) the vehicle must be used by a major employer, as defined in RCW 70.94.524 as an element of its commute trip reduction program for their employees; or (3) the vehicle must be owned and operated by individual employees and must be registered either with the

employer as part of its commute trip reduction program or with a public transportation agency serving the area where the employees live or work. Individual employee owned and operated motor vehicles will require certification that the vehicles registered with a major employer or a public transportation agency. Major employers who own and operate motor vehicles for their employees must certify that the commuter ride-sharing arrangement conforms to a carpool/vanpool element contained within their commute trip reduction program. [1996 c 88 § 4; 1993 c 488§ 4; 1980 c 166 § 2.]

Notes: Reviser’s note: \*(1) RCW 46.74.010 was amended by 1996 c 244§ 2, deleting subsection (3).

\*\* (2) RCW 46.74.010 was amended by 1996 c 244 § 2 changing the term “ride sharing for the elderly and the handicapped” to “ridesharing for persons with special transportation needs.” RCW 46.74.010 was subsequently amended by 1997 c 250 § 8, changing subsection (2) to subsection (3).

Construction—1996 c 88: “This act shall not be construed as affecting any existing right acquired or liability or obligation incurred under the sections amended or repealed in this act or under any rule or order adopted under those sections, nor as affecting any proceeding instituted under those sections.” [1996c 88 § 5.]

Severability—1996 c 88: “If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.” [1996 c 88 § 6.]

Effective date—1996 c 88: “This act shall take effect July 1, 1996.” [1996 c 88 § 7.] Finding—Annual recertification rule—Report—1993 c 488: See notes following RCW 82.08.0287. Severability—1980 c 166: See note following RCW 82.08.0287. Ride-sharing vehicles—Special plates: RCW 46.16.023.

## Public Utility Tax

**RCW 82.16.047 Exemptions—Ride sharing.** This chapter does not apply to any funds received in the course of commuter ridesharing or ride sharing for the elderly and the handicapped in accordance with \*RCW 46.74.010. [1979 c 111 § 18.]

Notes: \*Reviser’s note: RCW 46.74.010 was amended by 1996 c 244 § 2 changing the term “ride sharing for the elderly and the handicapped” to “ride sharing for

persons with special transportation needs.”

Severability—1979 c 111: See note following RCW 46.74.010.

### General Administrative Provisions

**RCW 82.32.010 Application of chapter stated.** (Effective until January 1, 1999.) The provisions of this chapter shall apply with respect to the taxes imposed under chapters 82.04 through 82.29A RCW of this title, under chapter 84.33 RCW, and under other titles, chapters, and sections in such manner and to such extent as indicated in each such title, chapter, or section. [1984 c 204 §26; 1983 c 3 § 219; 1981 c 148 § 12; 1961 c 15 § 82.32.010. Prior: 1935 c 180 § 185; RRS § 8370-185.]

Notes: Savings—Effective date—1984 c 204: See notes following RCW 84.33.035. Purpose—Severability—Effective dates—1981 c 148: See notes following RCW 84.33.110.

### Excise Taxes

**RCW 82.32.290 Unlawful acts—Penalties.** (1)(a) It shall be unlawful:

- (i) For any person to engage in business without having obtained a certificate of registration as provided in this chapter;
  - (ii) For the president, vice-president, secretary, treasurer, or other officer of any company to cause or permit the company to engage in business without having obtained a certificate of registration as provided in this chapter;
  - (iii) For any person to tear down or remove any order or notice posted by the department;
  - (iv) For any person to aid or abet another in any attempt to evade the payment of any tax or any part thereof;
  - (v) For any purchaser to fraudulently sign a resale certificate without intent to resell the property purchased; or
  - (vi) For any person to fail or refuse to permit the examination of any book, paper, account, record, or other data by the department or its duly authorized agent; or to fail or refuse to permit the inspection or appraisal of any property by the department or its duly authorized agent; or to refuse to offer testimony or produce any record as required.
- (b) Any person violating any of the provisions of this subsection (1) shall be guilty of a gross misdemeanor in accordance with chapter 9A.20 RCW.
- (2)(a) It shall be unlawful:
- (i) For any person to engage in business after revocation of a certificate of registration;
  - (ii) For the president, vice-president, secretary, treasurer, or other officer of any company to cause or permit the company to engage in business after revocation of a certificate of registration; or

(iii) For any person to make any false or fraudulent return or false statement in any return, with intent to defraud the state or evade the payment of any tax or part thereof. (b) Any person violating any of the provisions of this subsection (2) shall be guilty of a class C felony in accordance with chapter 9A.20 RCW.

(3) In addition to the foregoing penalties, any person who knowingly swears to or verifies any false or fraudulent return, or any return containing any false or fraudulent statement with the intent afore said, shall be guilty of the offense of perjury in the second degree; and any company for which a false return, or are turn containing a false statement, as afore said, is made, shall be punished, upon conviction thereof, by a fine of not more than one thousand dollars. All penalties or punishments provided in this section shall be in addition to all other penalties provided by law. [1985 c 414 § 2; 1975 1st ex.s. c 278 § 89; 1961 c 15 § 82.32.290. Prior: 1935 c 180 § 207; RRS § 8370-207.]

Notes: Construction—Severability—1975 1st ex.s. c 278: See notes following RCW 11.08.160.

**RCW 82.44.015 Ride-sharing passenger motor vehicles excluded—Notice—Liability for tax.** For the purposes of this chapter, in addition to the exclusions under RCW 82.44.010, “motor vehicle” shall not include passenger motor vehicles used primarily for commuter ride sharing and ride sharing for persons with special transportation needs, as defined in RCW 46.74.010. The registered owner of one of these vehicles shall notify the department of licensing upon termination of primary use of the vehicle in commuter ride sharing or ride sharing for persons with special transportation needs and shall be liable for the tax imposed by this chapter, prorated on the remaining months for which the vehicle is licensed.

To qualify for the tax exemption, those passenger motor vehicles with five or six passengers, including the driver, used for commuter ride-sharing, must be operated either within the state’s eight largest counties that are required to develop commute trip reduction plans as directed by chapter 70.94 RCW or in other counties, or cities and towns within those counties, that elect to adopt and implement a commute trip reduction plan. Additionally at least one of the following conditions must apply: (1) The vehicle must be operated by a public transportation agency for the general public; or (2) the vehicle must be used by a major employer, as defined in RCW 70.94.524 as an element of its commute trip reduction program for their employees; or (3) the vehicle must be owned and operated by individual employees and must be registered either with the employer as part of its commute trip reduction program or with a public transportation agency serving the area where the employees live or work. Individual employee owned and operated motor vehicles will require certification that the vehicles registered with a major employer or a public



transportation agency. Major employers who own and operate motor vehicles for their employees must certify that the commuter ride-sharing arrangement conforms to a carpool/vanpool element contained within their commute trip reduction program. [1996 c 244 § 7; 1993 c 488§ 3; 1982 c 142 § 1; 1980 c 166 § 3.]

Notes: Finding—Annual recertification rule—Report—1993 c 488: See notes following RCW 82.08.0287.

Severability—1980 c 166: See note following RCW 82.08.0287. Ride-sharing vehicles—Special plates: RCW 46.16.023.

### **Internal Revenue Code Qualified Transportation Fringe Benefit** *Taken from IRS Code 26, Section 132F, December 1998*

#### **(f) Qualified transportation fringe**

(1) In general For purposes of this section, the term “qualified transportation fringe” means any of the following provided by an employer to an employee:

(A) Transportation in a commuter highway vehicle if such transportation is in connection with travel between the employee’s residence and place of employment.

(B) Any transit pass.

(C) Qualified parking.

#### **(2) Limitation on exclusion**

The amount of the fringe benefits which are provided by an employer to any employee and which may be excluded from gross income under subsection (a)(5) shall not exceed -

(A) \$60 per month in the case of the aggregate of the benefits described in subparagraphs (A) and (B) of paragraph (1), and

(B) \$155 per month in the case of qualified parking.

**(3) Cash reimbursements** For purposes of this subsection, the term “qualified transportation fringe” includes a cash reimbursement by an employer to an employee for a benefit described in paragraph (1). The preceding sentence shall apply to a cash reimbursement for any transit pass only if a voucher or similar item which may be exchanged only for a transit pass is not readily available for direct distribution by the employer to the employee.

**(4) Benefit not in lieu of compensation** Subsection (a)(5) shall not apply to any qualified transportation fringe unless such benefit is provided in addition to (and not in lieu of) any compensation otherwise payable to the employee.

#### **(5) Definitions**

For purposes of this subsection -

(A) Transit pass The term “transit pass” means any pass, token, fare card,

voucher, or similar item entitling a person to transportation (or transportation at a reduced price) if such transportation is -

(i) on mass transit facilities (whether or not publicly owned), or

(ii) provided by any person in the business of transporting persons for compensation or hire if such transportation is provided in a vehicle meeting the requirements of subparagraph (B)(i).

(B) Commuter highway vehicle The term “commuter highway vehicle” means any highway vehicle -

(i) the seating capacity of which is at least 6 adults (not including the driver), and

(ii) at least 80 percent of the mileage use of which can reasonably be expected to be - (I) for purposes of transporting employees in connection with travel between their residences and their place of employment, and

(II) on trips during which the number of employees transported for such purposes is at least 1/2 of the adult seating capacity of such vehicle (not including the driver).

(C) Qualified parking The term “qualified parking” means parking provided to an employee on or near the business premises of the employer or on or near a location from which the employee commutes to work by transportation described in subparagraph (A), in a commuter highway vehicle, or by carpool. Such term shall not include any parking on or near property used by the employee for residential purposes.

(D) Transportation provided by employer Transportation referred to in paragraph (1)(A) shall be considered to be provided by an employer if such transportation is furnished in a commuter highway vehicle operated by or for the employer.

(E) Employee For purposes of this subsection, the term “employee” does not include an individual who is an employee within the meaning of section 401(c)(1).

#### **(6) Inflation adjustment**

In the case of any taxable year beginning in a calendar year after 1993, the dollar amounts contained in paragraph (2)(A) and (B) shall be increased by an amount equal to -

(A) such dollar amount, multiplied by

(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins. If any increase determined under the preceding sentence is not a multiple of \$5, such increase shall be rounded to the next lowest multiple of \$5.

#### **(7) Coordination with other provisions**

For purposes of this section, the terms “working condition fringe” and “de minimis fringe” shall not include any qualified transportation fringe (determined without regard to paragraph (2)).